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Marketing Activities

Issued Monthly by

**AGRICULTURAL
MARKETING
SERVICE**

U. S. DEPARTMENT OF AGRICULTURE

Vol. 4 No. 8
August 1941

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POTATOES COME TO THE TEXAS PANHANDLE

By W. D. Blachley Page 3

Potatoes aren't news most of the time, but they fall into that category when farmers begin to grow them on a commercial scale in the Texas Panhandle. That's a dry-land country. W. D. Blachley, Bureau of Agricultural Economics specialist, has assisted in a survey of the new potato-growing area.

HOW EFFICIENT IS OUR MARKETING SYSTEM?

By A. C. Hoffman and F. V. Waugh Page 5

Answering their own question, Hoffman and Waugh come to the reluctant conclusion that the costs of food distribution are too high. The authors--marketing and transportation specialists for the Bureau of Agricultural Economics--presented a more detailed discussion of marketing spreads in the 1940 Yearbook of Agriculture, "Farmers in a Changing World."

GRANDMA NEVER WORE STOCKINGS LIKE THESE

By Ruth Van Deman Page 13

The probability of doing without silk stockings for goodness only only knows how long has given the ladies quite a jolt--especially those who have been looking upon the international situation with what might be described as downright indifference. But Miss Van Deman, in charge of information work for the Bureau of Home Economics, urges them to be of good cheer. The new cotton stockings are pretty good, she says.

THE ARMY GOES SHOPPING FOR FRUITS AND VEGETABLES

By J. R. CavanaghPage 15

It takes a lot of chow to feed our rapidly expanding army, and the Quartermaster Corps is in the market for almost unbelievable quantities of fresh fruits and vegetables. But before you dash over to the nearest camp with a peck of onions, you had better read this article. Joe Cavanagh, of the Office of the Quartermaster General, passes on a few suggestions that may be helpful.

JEWISH CHICKEN DINNERS ARE KOSHER

By C. E. BurkheadPage 19

Accuracy is something of a fetish with Mr. Burkhead, one of the crack statisticians of the Agricultural Marketing Service. But we wanted to be absolutely sure of our ground on this article, so we turned it over to Rabbi Jacob A. Dubrow, of the Keshet Israel Synagogue, Washington, D. C. Rabbi Dubrow assures us that it is "kosher."

POTATOES COME TO THE TEXAS PANHANDLE

By W. D. Blachley

Bureau of Agricultural Economics

Farmers in the Texas Panhandle were amused when a grower from Idaho put in a field of potatoes several years ago. Nothing would come of it, they said, because the Panhandle was a cotton-wheat-and-grain sorghum country. For a while it looked as if they were right, but the potato-growing experiment turned out unusually well in 1938. The acreage under cultivation was expanded in 1939 and again in 1940 as other farmers climbed on the band wagon. About 15,000 acres are under cultivation this year, and yields on July 1 were forecast at 225 bushels per acre.

The Panhandle area is large--it covers a number of counties--but the new industry has made particularly rapid growth in the Hereford and Plainview sections, with other acreages near Lockney, Lubbock, Muleshoe, Levelland, Anton, Shallowater, and Roundup. The fever even crossed the State line last year, when a few growers tried their hand at potato growing in the vicinity of House, N. Mex. The crop in that area didn't turn out very well, however, due to a bad attack of psyllid or "purple top."

Potatoes are planted in the Panhandle area from April up into July, and the crop can be harvested from July into October. With such a long growing season, a few growers have tried double cropping with some success. Bliss Triumph is the most popular variety, followed by Irish Cobbler and White Rose.

Potatoes Grown Under Irrigation

The Panhandle is a dry-land area, normally receiving about 20 inches of rainfall annually. Plenty of rain has been received this year, but as a general rule the moisture supply is very erratic. Without supplemental irrigation water, hardly an acre of potatoes could be harvested commercially most years.

Irrigation water is obtained from ground wells and this matter of the water supply may be a limiting factor to the future development of the industry. Investigations by the U.S. Geological Survey and by the Texas State Water Board indicate that the water table is declining. Growers will shift back into dry-land farming, of course, if the water plays out.

But with the exception of a possible future water shortage, the area appears to be well adapted to potato production. The soil, a sandy loam, is very fertile and it is relatively level, which makes it well-suited to the use of farm machinery. As one Texan puts it, "You can take a tractor and a plow and turn up a furrow a hundred miles long without shifting into second." Irrigation can also be practiced without extensive leveling.

Temperatures are just right for potatoes. The Southern High Plains region is about 3,500 feet above sea level and days are hot and nights are cool. Potatoes thrive under such conditions. This combination of warm days and cool nights, as a matter of fact, accounts largely for the heavy concentration of potatoes in Maine, New York, Michigan, Minnesota, and Idaho.

From a marketing standpoint, potato growing in the Panhandle appears to be a sound venture. The State, according to the last census, has a population of over 6 million persons, and ranks sixth in the United States. Yet it produces less than 20 percent of its annual potato supplies, depending mainly on shipments from California, Colorado, Idaho. Panhandle farmers have freight advantages varying from 5 to 28 cents per bushel when shipping to southeastern Texas cities. Prices averaged 60 cent per bushel to growers in the Panhandle area last year.

One development that shows distinct possibilities--it is a kind of sideline right now--is the production of certified seed potatoes. About 800 acres are in cultivation this year in the Texline area--up near the Oklahoma line. The Southern States purchase practically all of their seed from the States farther north, and the early maturity of Panhandle potatoes should make them particularly valuable for planting in the Lower Rio Grande Valley and in South Florida. Cuba and Argentina are also possible markets for early maturing stock.

What the future holds for the potato-growing experiment nobody knows. Considering the water situation, the development may be spectacular and relatively short-lived. On the other hand, with systematic water-control measures, it may become a permanent feature of agriculture in the Southwest. Right now, at least, Panhandle farmers are "potato conscious." They have found a new cash crop.

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FLUE-CURED TOBACCO GROWERS FAVOR GOVERNMENT INSPECTION

Tobacco inspection service was favored by over 78 percent of the tobacco growers voting as patrons of 12 flue-cured markets in Virginia, North Carolina, South Carolina, and Georgia when they voted in referendums held July 24-26. The referendums were held for the flue-cured markets at Danville, Va.; at Reidsville, Robersonville, Tarboro, Williams- ton, and Fuquay Springs-Varina, N.C.; at Dillon, Loris, and Timmons- ville, S.C.; and at Hahira, Metter, and Statesboro, Ga. Voting was unusually heavy in these referendums, officials said.

A referendum will be held for 3 One Sucker markets in Kentucky and Tennessee in September, and a referendum will be held for 27 Burley markets in Kentucky, Tennessee, North Carolina, Indiana, and Missouri early in October. A total of 16 Burley markets are now designated.

HOW EFFICIENT IS OUR MARKETING SYSTEM?

By A. C. Hoffman and F. V. Waugh
Bureau of Agricultural Economics

Out of each dollar spent by consumers for food the farmer receives an average of only about 40 cents. The other 60 cents--economists call it the "marketing spread"--represent the average cost of food distribution. This cost in the opinion of many people is too high, and ways and means of reducing it have taken various forms. But there is still a widespread misunderstanding of why marketing charges are as high as they are and what is necessary to effect significant reductions.

Most people fail to realize, for example, that the chief factor in the cost of distributing foods is labor. It takes a lot of man power to package, transport, process, store, and retail food products. With hourly wage rates more than doubling during the past 25 years there has inevitably been an increase in marketing spreads. So if costs are to be curtailed significantly either the amount of labor required to process and distribute food products must be decreased through increased efficiency, or the wage rates per hour must be reduced.

Any reduction in wage rates would of course affect the farmer in two ways. To the extent that it curtailed purchasing power for farm products, the farmer would be adversely affected. On the other hand, the farmer would gain directly from any measures that reduced marketing costs. From his standpoint it is not easy to say which of these considerations is the more important. But from the public standpoint, which takes account of the interests of all groups, it is obvious that a reduction of marketing costs through wage cutting alone may represent no net social gain, but merely a transfer of advantage between different economic groups.

Profits Are Not Exorbitant

The argument is frequently advanced that exorbitant profits are largely responsible for the present width of the marketing spread and that the solution is merely a matter of forcing middlemen to disgorge their profits. However, for most food products not over 10 percent of the retail selling price is represented by the combined earnings to capital at all stages in the marketing process.

Thus, the total marketing spread would not be greatly reduced even by the complete elimination of all earnings to capital invested in food enterprises. To suggest that we must look elsewhere than at profits for a substantial reduction in marketing spreads is not to imply that any savings, however small, are unimportant. And certainly it is not meant to condone an exorbitant rate of profit derived from monopolistic or unfair trade practices. The point is that other factors, such as wage rates, material costs, and the over-all efficiency of the marketing system are considerably more important than are profits in the determination of marketing spreads.



Inadequate facilities at terminal markets increase the cost of distributing food products. Faneuil Hall Market at Boston has no rail connections and produce must be hauled to it from many parts of the city. The traffic congestion results in costly delays.

The Northern Ohio Food Terminal at Cleveland is one of the best market facilities in the United States. Rail connections reduce transportation costs. This market handles about the same volume as the Boston market.



The charge most commonly made against the marketing system is that it is inefficient and that it is becoming more so. The increase in absolute marketing spreads, together with the fact that the farmer's share of the consumer's dollar has tended to decrease, is often cited as evidence. Taken by themselves, however, neither of these things gives any direct measure of efficiency as that term is properly used. Efficiency ought to be measured in terms of the amount of labor and capital required for the performance of any given marketing operation.

If the farmer were to process his own products, transport them to market, and sell them direct to the consumer, there would, of course, be no marketing spread and he would get 100 percent of the consumer's dollar. Obviously this would not be an efficient way to market most farm products, and for most of them it would be patently impossible. The proportion of the consumer's dollar received by the farmer, then, is not a measure of efficiency but rather of the degree to which farmers concentrate on the business of production rather than marketing. Some farm products, such as eggs, that are produced near the point of consumption do not require expensive processing or transportation. The farmer selling such products will normally receive a much larger share of the consumer's dollar than one producing peas for canning, say, even though both products are marketed with equal efficiency.

Consumers Demand More Service

It is generally agreed that consumers receive more in the way of marketing services than they once did--and services cost money. Examples of this are better grading and inspection, more convenient packaging, and added processing. It is impossible even to estimate how much these services have added to marketing costs. But as long as these things add to consumer satisfaction it is evident that any resulting increase in the spread between farmer and consumer does not mean in itself that the marketing system has become less efficient to that extent.

As a matter of fact, there is some evidence to indicate that food distribution is becoming more, rather than less, efficient. One thing that points in this direction is that food margins have not increased in proportion to the increase in hourly wage rates despite the fact that consumers are receiving as much in the way of marketing services as they ever did.

Still another thing should be kept in mind when considering marketing efficiency. Most costs incurred in connection with the physical handling of the commodity--assembling, processing, transporting, and storing--are made for the purpose of supplying demand. But it is also true that many--though not all--of the expenditures for salesmen's salaries, brokerage fees, and brand advertising are made for the purpose of influencing the buyer to patronize a particular firm or to use a particular brand or type of commodity. If the effect is merely to take business from one firm and give it to another, there is no net

social gain but only a transfer of advantage between individual firms.

Cooperatives Help to Reduce Costs

Most of the efforts on the part of farmers themselves to reduce marketing costs have been made by means of cooperative-marketing organizations. For the most part, these ventures have been confined to the processing and marketing operations at the producer end of the system. And it can be said that the cooperative movement has led to great improvement within the local marketing sphere within which it mainly operates. It has resulted in larger and more efficient plant facilities, a better competitive situation, improved quality, and various other gains calculated to improve returns to member farmers. But it must also be said that the costs of these local marketing functions represent only a small part of the total marketing spread, so that the greatest possible gains to be made here do not bulk large in relation to the retail price of the commodities involved.

The most significant development affecting the terminal marketing of most farm products is the tendency toward "direct marketing," such as the selling of livestock direct to meat packers or the sale of fruits and vegetables by growers to chain-store systems. In effect this has meant the elimination of one or more specialized intermediaries at some point in the marketing system. Elimination of the broker or the commission man does not mean that marketing spreads are reduced by the amount of the fees or margins formerly taken by these agents. Direct marketing involves some compensating costs on its own account, and in some cases these may be as great as the costs that it displaces. Generally speaking, however, direct marketing does appear to have led to some economies, particularly by mass distributors who no longer have need for the services of specialized intermediaries between them and the producer.

Terminal Facilities Are Often Inefficient

Among the most inefficient and disorganized terminal wholesale facilities are those for fresh fruits and vegetables. In most of our large cities, these facilities are antiquated, ill-adapted to the handling of motortruck receipts, and altogether inadequate for the efficient wholesaling of perishable produce under modern conditions. As a result, waste and spoilage is higher than it would be, intra-city cartage costs are excessive, and the margins taken by wholesalers and jobbers are somewhat wider than they might be if modern market facilities were provided. Studies made by the Bureau of Agricultural Economics indicate that savings approximating 2 or 3 percent of the retail price of perishables are possible within the terminal wholesale market.

Because of its remoteness from the farmer, the retail function is sometimes overlooked when ways and means for reducing marketing costs are under consideration. In selling nearly all farm products,

the retail margin is the largest single element in the marketing spread, and in many cases it is larger than all other marketing costs combined. This does not mean that the retailer is less efficient in his operations than handlers at other stages in the marketing process or that his profits are necessarily exorbitant in relation to his labor and invested capital. But it does mean that here is one of the most likely points at which to effect significant savings in food distribution.

Next to the function of retailing itself, some of the most costly links in the marketing system are those between the processor and the retailer. The key to many of the advantages possessed by the corporate and cooperative retail chains lies in the fact that they have dropped some of these links by the integration of successive marketing functions within a single firm. Nearly all the chains have set up their own wholesaling establishments to service their retail units, and the larger systems have gone actively into country assembling and processing of many food products. As a result their stocks move toward the consumer with fewer bargaining transactions and selling operations than are necessary to move goods in the regular channels.

It is impossible to estimate just how much mass retailing has contributed to reduced marketing costs. Data compiled by the Federal Trade Commission in connection with its chain-store inquiry indicated that, in the four cities studied by the Commission, the chains were selling at prices approximately 7 percent below those of their independent competitors. Numerous studies made by other agencies confirm this general relationship between the prices of chains and those of independents, although there are of course many individual exceptions to these averages. Moreover, in recent years many independent grocers have been able to achieve the economics of mass distribution through their own voluntary and cooperative systems.

An important development in food distribution is the introduction of new low-cost methods of retailing, notably the supermarket. The essential features of the supermarket are tremendous store volume--often amounting to 10 or 20 times that of the average grocery store--low rent and store overhead, and a reduction in store labor by means of customer self-service. Somewhat the same general idea is embodied in the milk depots recently set up in several large cities at which milk is sold at greatly reduced prices to those willing to forego the regular service of doorstep delivery. All low-cost marketing developments of this kind are likely to have a special appeal for those whose income is limited or who prefer lower prices to extra marketing services.

Are There Too Many Stores?

Nobody knows just how much the needless duplication of marketing facilities at all stages of food distribution adds to marketing

spreads. But it can be asserted positively that the number of retailing, wholesaling, processing, and assembling establishments has multiplied out of all proportion to what is actually needed. Part of this increase in retail facilities is due to the fact that a larger proportion of the population now lives in cities and requires more in the way of service.

The problem of excess facilities is not confined to food retailing; to some extent at least it is to be found at every point in the marketing system. In normal peace times, we do not need all our creameries and canneries and grain elevators to handle our food supply. Studies have repeatedly shown that many of these plants are operating at far less than capacity and that substantial cost savings could be made if all of the food supply were to move through the most efficient types of plants operating at full capacity. In general this would probably mean a material increase in the average size of plant and handling agencies, and it would certainly mean a reduction in numbers of handlers so as to bring the over-all capacity of the marketing system more in line with the facilities actually needed to process and distribute food products.

One thing further might be said regarding the reduction of food costs. Nearly everyone pays lip service to the need for doing everything possible to reduce marketing spreads and lower the costs of food distribution. But not even governmental agencies themselves have always followed a consistent policy in this matter. Free and unrestricted commerce between the States was one of the economic premises on which the Federal Government was founded. This premise has been violated by various State and local barriers to internal trade--a tendency that results in an uneconomic use of productive resources and an unnecessary addition to the Nation's food costs.

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MARKETING PLANS MUST CONSIDER RELATIONSHIPS BETWEEN PRODUCTS

Reporting on a study carried out by the Giannini Foundation of Agricultural Economics at the University of California, Dr. Sidney S. Hoos says indications were found that pears compete with plums and peaches in the market. Evidence indicated, he explains, that large supplies and low prices of plums and peaches result in declining prices for pears. On the other hand, he adds, short supplies and high prices of plums and peaches may cause increased demand and higher prices for pears.

Such relationships, Dr. Hoos believes, may play a large part in the success or failure of marketing programs. "It is important in the discussion, formulation, and prosecution of market programs," Dr. Hoos says, "that consideration be given the relations between products."

STRETCH OUT POULTRY MARKETING THIS YEAR

Iowa poultrymen have been advised to extend their poultry marketings over a longer period this year. A. D. Oderkirk, Iowa State College extension agricultural economist, points out that farmers should sell as soon as the quality and weights of the birds warrant.

Since poultry producers are expected to increase their laying flocks by 10 percent to attain the Department of Agriculture's goal under the food-for-defense program, the resulting seasonal marketing rushes may be so heavy that many processing plants will be overtaxed during flush periods this fall and next spring, Oderkirk says.

Marketing efficiency will be greatly increased by reducing the seasonal gluts in marketings during the fall and future seasons, the economist says. He points out that producers now market their poultry and eggs very seasonably and asserts that eggs are about the most seasonally marketed product of major proportions in the State.

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FREEZING OF U.S.-JAPANESE ASSETS MAY CURTAIL IMPORTS OF GARDEN SEEDS

The mutual freezing of assets by the United States and Japan may result in a curtailment of vegetable and flower seed imports, the Agricultural Marketing Service says. In 1940 cabbage, onion, parsnip, rutabaga, spinach, and turnip seeds were imported in significant quantities, together with double petunia seeds and hyacinth bulbs.

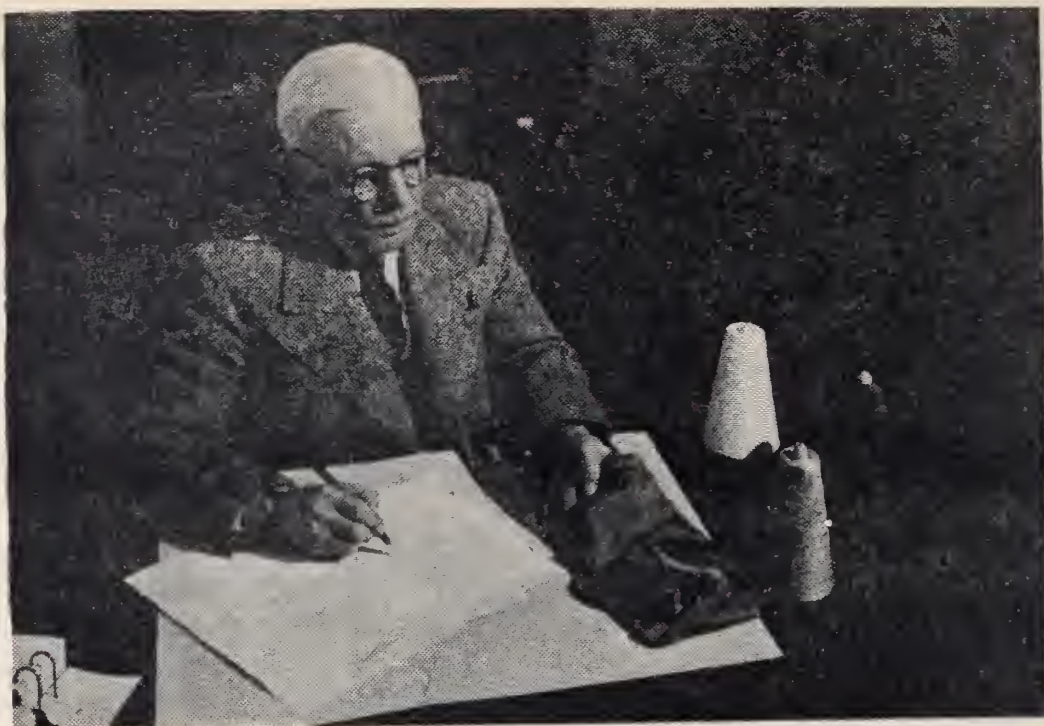
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TURKEY SURVEY LAUNCHED BY UTAH EXTENSION EXPERT

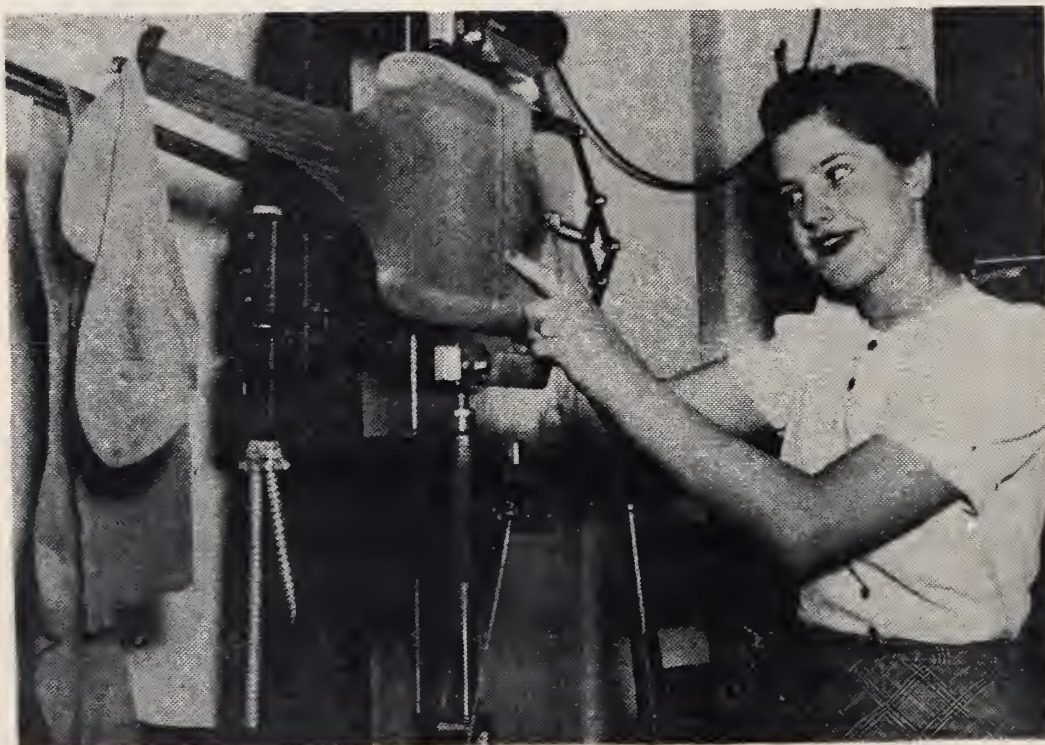
Carl Frischknecht, extension poultryman at the Utah State Agricultural College, has launched a survey of turkey herds in the State. The purpose of the survey is to obtain reliable information on the number and kind of turkeys raised in each county; source and cost of poult brooded; kind and cost of feed; method and cost of financing; place and cost of processing; number of birds contracted; and the price paid. According to Mr. Frischknecht, data collected on production and marketing of turkeys in the State should serve as a basis for improving conditions within the industry.

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Texas has the largest number of farms--418,002, the Census reports.



David Young, hosiery designer for the Bureau of Home Economics, concentrates on the problem of a fine mesh design for womens' cotton stockings. Over 150 designs--of all weights, weaves, and colors--are available to the hosiery trade.



Cotton stockings must stretch without bursting. At the Beltsville, Md., Research Center the Bureau of Home Economics tests hosiery on mechanical feet for rub at heel and toe, and for elasticity on an ingenious machine that imitates the movement of the human leg when walking.

GRANDMA NEVER WORE

STOCKINGS LIKE THESE. . . . By Ruth Van Deman

Bureau of Home Economics

Cotton stockings are front page news, and silk and nylon, paradoxically enough, have put them there. With the processing of these materials for civilian use suspended in favor of the national defense program, it looks as though cotton would be a "natural" for women's hosiery this year. But cotton hosiery in 1941 bears little resemblance to the black, thick, fuzzy coverings that added no glamour to Grandma's "limbs."

For over three years now the Bureau of Home Economics has been conducting research in its textile laboratories on full-fashioned cotton hose for women. Ruth O'Brien, who heads up this work, says that over 150 designs are now ready to release to the trade--designs that can be put into production overnight on the same machines that have been knitting silk and synthetic.

Smart Weaves and Colors Designed

These designs have "style plus." They include all weights and weaves from the sheerest cobweb mesh to go with afternoon outfits to sturdy plain knits for wear on the street, around the house, or for active sports. They come in all the smart shades of the hosiery trade's color card. The yarns are 100 percent American long-staple cotton, mercerized, combed, and "gassed" to remove fuzzy fiber ends.

A pure white hose that will stand boiling or chemical disinfection has been designed especially for nurses' wear, and is already in commercial production. Several other companies are making some of the Bureau's designs or close adaptations from them.

A few designs for girls' circular-knit campus socks are ready for release, following wear tests by college girls on two campuses. The girls liked these gay-colored hose in attractive striped designs, too, knit of fine mercerized yarns as they were. Men at another college cooperated in a wear study of socks made of two varieties of American-grown cotton.

All these experimental cotton hose have likewise run the gauntlet of laboratory research on ingenious textile-testing apparatus. The research has also covered special finishes in the hope of increasing elasticity. For the cotton fiber is short --very short when compared with the airy thread the silk worm spins for his cocoon. And it does not have the give and return of either of the animal fibers--silk and wool.

But we have the cotton. We have an emergency situation on the supply of fiber for hosiery. So 1942 may find cotton hose high style from Fifth Avenue to Main Street.

LOCALLY GROWN PRODUCE SOLD ACCORDING
TO GRADE ON BRIDGEPORT FARMERS' MARKET

Producers using the Farmers' Market at Bridgeport, Conn., are offering patrons locally grown produce graded on the basis of the Federal standards, says Olcott F. King, State Commissioner of Agriculture. The grading program at the present time is voluntary, King explains, with growers grading a few commodities. More and more will be added to the list until it is expected that all sales will be on a graded basis.

All produce sold that bears the U. S. Grade tag must meet the approval of Federal and State inspectors. A representative of the Connecticut Department of Agriculture will be on the market each morning to inspect the loads of produce. A Federal inspection will also be available to show growers how to pack according to grade and will assist in settling disputes between buyers and sellers.

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FISH AND WILDLIFE SERVICE
CONTINUES MARKETING WORK

The Division of Fishery Industries has been allotted \$37,500 for the continuation of its market development program during the coming year, according to the Fish and Wildlife Service. Begun early in 1941, this program seeks to promote a free flow of fishery products from fishermen to consumers by improving retailing methods. It has encouraged greater emphasis on fish sales in retail stores and has called the attention of consumers to the advantages of serving fish oftener.

Considerable progress has been made in promoting the consumption of fishery products in Cincinnati, Pittsburgh, and Columbus since the Service initiated the market development program in these cities early in the year. Striking at the roots of the difficulties believed to restrict the consumption of fish, agents of the Service have been actively impressing on housewives the many advantages of fish as a food. In addition they are calling the attention of retail grocers to existing inadequacies in handling and selling fish and are making suggestions for improvement of this situation. Institutions have also been encouraged to serve fish more frequently.

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The Surplus Marketing Administration is asking approximately 5,500 buyers of cotton to sign an agreement to make an allowance of 7 pounds for lighter tare on cotton-wrapped cotton bales. The Administration estimates that approximately 2 million bales of the 1941 cotton crop will carry cotton wrappings--wrappings that weigh $4\frac{1}{2}$ pounds compared with about 12 pounds for jute. This difference in tare penalizes farmers who use cotton bagging, due to the gross weight systems of trading.

THE ARMY GOES SHOPPING FOR FRUITS AND VEGETABLES

By J. R. Cavanagh
War Department

Army purchasing of fresh fruits and vegetables now amounts to approximately \$1,500,000 monthly. This large volume of buying naturally has attracted the attention of growers, shippers, and receivers. Many have made actual sales to the Quartermaster market centers, which do the major portion of fruit and vegetable buying for the Army, and to the smaller posts that do their own buying. But some have been unsuccessful bidders for Army business, and others who have wished to sell in this market have not attempted to do so because they were unfamiliar with Army procurement policies.

Actually, there is no mystery attached to the sale of fruits and vegetables to the Army. Requirements are filled in the regular marketing channels through which virtually all commercial fruit and vegetable crops are moved. They are made upon a fully competitive basis. The program of buying gives full consideration to the home-grown or locally produced commodities just as it does to the commercial movement by rail, motor truck, or boat from the more distant areas. The Army simply requires that all purchases meet Army specifications as to quality, conditions, and pack, and that supplies be in sizeable quantities so as to eliminate the handling of numerous small lots.

The proper working out of this program is up to the growers and shippers who want a part of the Army's business. The Army can state that it wants to buy homegrown produce wherever possible and that it wants to give the individual grower every chance to sell. But the grower must do his part, too, and he must understand precisely what is expected of him in the whole program.

Growers Must "Go After" Business

He must understand, first, that if he wants any of this business he must go after it. This means that he must contact the men at the buying office in his own area. It means that he must go to them well in advance of the time his produce is going to be ready to market--10 days ahead of time, or 30 days if possible. He must inform these men of the kind and quantity of the various items he wishes to sell, and the approximate time his produce will be ready for market.

At the same time, he must familiarize himself thoroughly with the Army's specifications. He must know, for example, the kind of packaging that is required or what grades are asked for. The requirements may seem rather rigid, but they are necessary. The office may be buying for half a dozen separate camps. It must buy a specific quantity for each. It cannot deal with a mixed variety of packings or a mixed set of grading. Uniformity is essential.

In general, any grower may sell to the Army provided he can put his commodity up according to Army specifications and pack, and provided he can deliver in sufficient quantity. When several growers are not able, as individuals, to supply large enough quantities to warrant consideration, they should arrange for consolidating their offerings with those of other growers. In many areas, growers' marketing associations and State farmers' markets are serving to concentrate offerings of individual growers in sufficiently large quantities to attract Army buying.

Naturally, surplus crops are coming in for a good deal of consideration. And when surplus conditions arise the Army tries to vary its ration so as to make additional purchases of the surplus commodities, thus relieving glutted market conditions. This buying of surplus commodities also assures the Army of a liberal supply of fresh fruits and vegetables at prices it can afford to pay. The daily allowance for feeding a soldier is approximately 43 cents--enough for the Quartermaster Corps to supply plenty of the foods essential to the health and efficiency of the Army's men. But it does not permit the buying of high-priced fruits and vegetables during the seasons of short supply..

The Regional Office Does the Buying

The regional office does the buying, but the goods are delivered to the Army camp or post. In other words, the goods are sold to the officer at the central office but they are delivered to the Quartermaster at the camp.

All carlot purchases are inspected and accepted at the point of delivery. When purchases are made in less-than-carload lots, from dealers on principal markets, inspection and acceptance for quality will be made at the point of purchase whenever possible, though final inspection for quantity will be made at the point of delivery. In some cases, however, it will not be possible to make any kind of inspection except at the delivery point. Purchases of local produce are inspected by the Post Quartermasters with the assistance of market centers. And when practicable, market centers may require that vendors of carlot shipments furnish Federal certifications as evidence that their deliveries meet the grade specifications.

Growers and other suppliers who sell through more than one Quartermaster market center may find some differences in the requirements as to manner of submitting offerings or as to inspection. While the requirements are essentially the same in all offices, they are flexible enough to permit the officers in charge to adapt them to local conditions. This permits procurement of daily supplies with a minimum of inconvenience to both suppliers and to the Army. These variations are permissible so long as they do not interfere with the requirements set forth in the Office of the Quartermaster General--that the Army must have a constant and large supply of fresh fruits and vegetables, and that these be obtained on a strictly competitive basis.

REPORT STRESSES NEED FOR NEW WHOLESALE
FRUIT AND VEGETABLE MARKET AT ST. LOUIS

Existing market facilities at St. Louis are unable to handle efficiently the 30,000 carloads of fruits and vegetables required annually by the city and surrounding territory. That is the opinion expressed by W. T. Calhoun, Department of Agriculture economist, and L. H. Schweiter, University of Missouri research specialist, in a recent publication of the Bureau of Agricultural Economics, "The Wholesale Fruit and Vegetable Markets of St. Louis." The authors, who have made a thorough survey of the situation, recommend the construction of a modern market.

The Third Street Wholesale Market, which now handles 80 percent of the total volume, was never designed as a market, Calhoun and Schweiter state. Stores of the usual mercantile type front on busy streets, without railroad tracks for the direct receipt of supplies, without platforms for loading or unloading from motor trucks, and without adequate cold storage facilities or special protection for perishable foods. The location and arrangement of the present market would make improvement difficult and expensive, the authors point out, and there is also a possibility that in the not far distant future it will be necessary to move the market from its present location because of the need of that area for other uses.

The construction of a new market in another location appears to be the only solution to the problem, in the opinion of Calhoun and Schweiter. A new market, they say, should consist of modern store units, with floors at truck-bed height, with direct rail connections to unloading platforms, and with provisions for cold storage units. Further recommendations include: Additional offices for members of the industry who do not operate stores, a farmers' and truckers' market, team track yards, streets at least 100 feet wide, parking areas for trucks, and perhaps an auction building.

Cost Set Tentatively at \$2,000,000

Calhoun and Schweiter believe an efficient layout would require about 35 acres of land, which might be acquired for about \$500,000. Buildings and facilities needed in a market adequate to serve St. Louis might be erected at a cost of \$1,500,000, making a total cost for land and facilities of about \$2,000,000.

The total cost of selling and handling the 24,000 carloads of fruits and vegetables that are moved through the wholesale section of the present market--not including the farmers' and truckers' lots--is about \$2,480,000 per year. Well designed and adequate facilities for the receipt, storage, display, sale, and delivery of this merchandise might make possible savings of \$560,000. Such savings would represent a reduction of more than 20 percent in the yearly cost of handling this part of the food supply for St. Louis and its trade territory.

FLUE-CURED TOBACCO LOAN AND EXPORT PROGRAM SLATED

A Commodity Credit Corporation program for flue-cured tobacco authorizing purchases for export trade and loans to producers at rates equal to 85 percent of parity has been announced by the Department of Agriculture. The authorization permits a total of 225 million pounds of tobacco to be taken from the 1941 crop.

The purchases will be made through export companies in the same manner in which purchases of tobacco from the 1939 and 1940 crops were made. The new program, with its authorization for 85 percent of parity, is designed to support prices at an average of 19.6 cents per pound, which is 3.2 cents higher than the average of 16.4 cents per pound received by farmers for the 1940 crop.

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RELEASE PRICE SCHEDULE ON GOVERNMENT-OWNED CORN REVISED

Effective August 1, Government-owned corn stored in terminal and subterminal elevators will be offered for sale into consumption channels at market prices between 73 and 77 cents for No. 2 Yellow corn, basis Chicago. Differentials applicable to points other than Chicago now in effect will remain approximately the same. For the present, release prices on corn in steel bins and country elevators will continue to be the local market price, or 65 cents per bushel, whichever is higher.

On June 7, 1941, the Department of Agriculture announced that corn would be sold in Chicago at prices between 69 and 75 cents. All sales in recent weeks have been at the 75-cent level. The change in the release prices is being made in view of the recent increase in parity prices and in view of the fact that loan rates on the 1941 crop of corn at 85 percent of parity will be higher than loans on the 1940 crop. This change represents the beginning of a gradual adjustment of release prices to the prospective 1941 loan levels.

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WEATHER PRODUCES CHANGES IN COTTON FIBER STRENGTH

Cotton grown in hot, dry seasons has generally greater fiber strength than that grown in cool, rainy seasons, says Dr. Earl E. Berkley, Department of Agriculture cotton technologist. With accurate weather information and knowledge of the varieties planted, it is possible to predict the strength quality of cotton produced in a given area. This information can be useful to manufacturers of sheets, belts, canvas, and other cotton goods in which fiber strength is important, Berkley says.

Over 700 million chickens were consumed in the United States last year, and a substantial percentage of this enormous total moved into "kosher trade" channels. People of the Jewish faith consume more chickens, per capita, than any other race or nationality group.

--Editor

JEWISH CHICKEN DINNERS ARE KOSHER

By C.E. Burkhead

The preparation of chickens for cooking is a relatively simple matter in the gentile household. But to be acceptable to the Jewish family, the birds must be killed and cleaned in strict accordance with the ancient laws of Moses. If these age-old rules are followed to the letter the chickens are "kosher," which means clean. Otherwise they are "trefe"--unclean--and are unsuited for use as food by members of the Jewish faith.

The Jewish housewife, who does most of the poultry buying for her family, may purchase her chicken from the butcher--the "kosher boshet"--an accredited vendor of kosher meat and poultry. But if she wants to be absolutely sure that her chicken will be kosher she buys it alive. It must be free from all blemishes, for any slight injury makes the chicken "trefe."

Ritual Followed in Slaughtering

Her live chicken is slaughtered by the "shochet," who is certified by a rabbi as qualified to perform the ritual, and the shochet is a representative of the synagogue in the performance of the ritual. The work of the shochet is periodically checked by the rabbi issuing the certificate to see that slaughtering is being done properly. The shochet's usual fee for slaughtering is 10 cents.

The chicken must be killed in a certain manner and according to a certain ritual. A number of feathers must be plucked from the neck, the throat slit, and the chicken dropped into a barrel until bleeding has ceased. To be kosher every drop of blood must drain, because, according to the rigid Jewish dietary laws, "Blood you shall not eat." The chicken must be dry-picked after it is killed, and at most markets a few elderly Jewish women are willing to pick the bird for a small amount if the housewife does not relish the task. By letting these women pick the chicken, the housewife helps the needy and thus does something deserving of the Almighty.

The housewife takes her chicken home and prepares it for cooking, but if she finds a blemish after she opens the bird--any kind of blemish--she must consult the rabbi. If the chicken passes his approval it may be eaten. The housewife must singe her chicken thoroughly to remove

every pin feather. It must be soaked in cold water for half an hour and then sprinkled with coarse salt--kosher salt--and placed on a special board. After taking salt one hour the chicken may be washed and cooked, but it must be used within 3 days.

Friday is indeed a busy day for the Jewish housewife, as well as the butcher, the live poultry dealer, and the shochet. Most Jews who can afford it eat chicken on the Sabbath--sundown on Friday to sundown on Saturday--and during the numerous holidays. Many chickens are bought for the Passover Holidays--8 days which are celebrated to commemorate the deliverance of the Jews from Pharaoh. Young, fat, spring chickens are most popular for this occasion and the Jewish housewife, whenever possible, will buy a fowl in which she hopes to find some eggs. If perchance she finds an egg already covered by a shell, she must at once consult the shochet to determine its kosherness.

For Yom Kippur--the Day of Atonement--the Jewish family purchases at least one fowl, a female chicken, and one rooster, a male chicken. If finances permit, one fowl is purchased for each female member of the family and one rooster for each male member. These chickens are used alive in a symbolical ceremony performed on that day. After the fowls and roosters are cooked they lose their identity and the family gathers 'round for the feast.

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ONE-VARIETY COTTON PROGRAM ANNOUNCED

The Department of Agriculture recently announced a one-variety cotton improvement and marketing program for cotton grown in the United States. Under the plan, up to 225,000 bales of cotton produced in 1941, in selected one-variety areas, will be made available to domestic and foreign spinners in even running lots composed solely of cotton from the same areas.

The improvement program follows the general plan of the one-variety export programs for the 1938 and 1939 crops, which permitted the cotton to go into export markets only and to the one-variety cotton improvement program for the 1940 crop, which made selected cotton available to domestic as well as to foreign spinners. The new program is in addition to other programs of the Department of Agriculture, which seek wider markets for United States cotton.

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A method for flavoring colored maraschino-type cherries with natural cherry sirups has been developed by scientists at the New York State Experiment Station, at Geneva, N. Y. The new method eliminates the peculiar artificial flavor associated with this product.

LIVESTOCK AUCTION EFFECTIVE AGENCY

The livestock auction has provided a new, rapidly expanding market for Minnesota livestock during the past 10 years, according to A.A. Dowell, professor of agricultural economics, University of Minnesota. At the close of 1940 there were 45 active auctions in Minnesota.

The future of these local auctions depends upon the services they render and upon how closely their expenses compare with those of marketing through other outlets, Dowell states. The auctions already have proved to be effective agencies for exchanging feeder and breeder stock, supplying western feeder and breeder stock, transferring dairy cows, and selling horses and mules.

Practically all auctions operating in Minnesota at the close of 1940 were located in the southern part of the State, especially in the southwest and west central livestock and cash grain areas.

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USE OF SOYBEAN OIL FOR COOKING FATS UP IN 1940

In 1940, the Bureau of Agricultural Economics reports, soybean oil accounted for about 18 percent of the total fats and oils used compared with 14 percent a year earlier and less than 1 percent in years prior to 1935. Increased domestic production of soybean oil in recent years and its adaptation to use in edible products have been chiefly responsible for the marked gain in utilization of this oil in cooking fats. An increased quantity of lard also was used in the manufacture of compounds in 1940, but lard represented only about 1 percent of the total quantity of fats and oils used in the manufacture of mixed cooking fats.

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The 1941 lamb crop set a new high record for numbers. Estimated by the Agricultural Marketing Service at 34,549,000 head, the 1941 crop is 1,660,000 head, or 5 percent, larger than the previous record crop of 1940, and 13 percent larger than the average of the crops for the 10 years 1930 to 1939.

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Grain in commercial storage at terminal markets on August 2 occupied nearly 80 percent of the available space, which early in June was reported at approximately 451 million bushels. The scarcity of space is most acute in the West Central and Southwestern markets, where stocks of slightly over 125 million bushels of grain occupied about 92 percent of the commercial storage space.

STORAGE RATES FIXED FOR 1941 LOAN COTTON

The maximum rates for 1941 loan cotton are 17-1/2 cents per bale per month for warehouses that do not operate compress facilities and 15 cents per bale per month for warehouses operating compress facilities, the Department of Agriculture announced recently. In addition, warehouses may collect from producers a service charge for receiving, sampling, and delivering of not in excess of 25 cents a bale, and a charge for reweighing and resampling of 10 cents per bale for each service. As has been customary in the past the producer also will pay a fee of 15 cents a bale for classing, which will be done by the Agricultural Marketing Service.

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1941 LOANS FOR FARM MARKETING QUOTA EXCESS WHEAT EXTENDED

Loans on wheat defined as excess wheat under marketing quota provisions will be extended to April 30, 1943, the Department of Agriculture announced recently. This will affect wheat stored on farms or in approved warehouses. The present maturity date on all 1941 wheat loans is April 30, 1942.

Such an extension will materially aid farmers who overplanted their wheat acreage allotment this past season and thus have excess wheat on hand, officials pointed out. The marketing quota provisions permit farmers to store their excess wheat, thus postponing payment of the 49 cent per bushel penalty at this time. Officials also explained that next year it will be possible to market this wheat without penalty, provided the acreage allotment for the farm is underplanted or the producer suffers a crop loss.

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INDUSTRY APPROVAL SOUGHT FOR COLORADO VEGETABLE MARKETING AGREEMENT PROGRAM

Industry approval of amendments to the Federal marketing agreement program for peas and cauliflower produced in designated counties of Colorado will be sought through a referendum among growers and the sign-up of handlers. The program, which regulates the shipment in interstate commerce of peas and cauliflower, has been in effect since August 1936.

Growers will be given an opportunity to vote on the issuance of an amended order which would make the terms of the amended agreement applicable to all handlers. At the same time, the amended agreement will be submitted to handlers for their approval. Dates of the referendum will be announced by S. L. Pobst, agent of the Secretary of Agriculture.

-PERTAINING TO MARKETING-

The following reports and publications, issued recently, may be obtained upon request from:

The Agricultural Marketing Service:

Dollars-and-Cents Value of the Tobacco Inspection and Market News Service (Address) . . . By Hugh W. Taylor

Further Developments in the Photometric Determination of Wheat Protein (Address) . . . By Lawrence Zeleny and H. B. Dixon

Report on Survey of Lard Production, Distribution, and Packaging, 1938-39 . . . By Meade T. Foster

Progress in Wool Shrinkage Research During 1940 . . . By Warner M. Buck and George C. LeCompte

Market Summaries, 1941:

North Carolina Potatoes

South Carolina Cucumbers

South Carolina Potatoes

South Carolina Watermelons

Florida and Georgia Watermelons

Florida Citrus

Mississippi Tomatoes

Kaw Valley, Orrick, Arkansas, and Oklahoma Potatoes

Colorado Cauliflower, Green Peas, and Other Vegetables

Texas Potatoes

Arizona Cantaloups

Imperial Valley Cantaloups

Imperial Valley Carrots

Imperial Valley Watermelons

The Bureau of Agricultural Economics:

The Wholesale Fruit and Vegetable Markets of St. Louis . . . By W. T. Calhoun and L. H. Schweiter (See page 17)

Studies of Changes in Technology and Employment in Agriculture (Index) . . . By Sarah L. Yarnall

Vermont Department of Agriculture:

Vermont Crop and Livestock Review

Connecticut Department of Agriculture:

The Marketing of Agricultural Products in Connecticut, 1940

California Department of Agriculture:

Acreage Estimates, California Fruit and Nut Crops, 1940

